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BEFORE THE AR



SSION

WILLIAM A. MUNDELL  
CHAIRMAN  
JAMES M. IRVIN  
COMMISSIONER  
MARC SPITZER  
COMMISSIONER

IN THE MATTER OF THE APPLICATION OF THE )  
ARIZONA ELECTRIC DIVISION OF CITIZENS COM- )  
MUNICATIONS COMPANY TO CHANGE THE CUR- )  
RENT PURCHASED POWER AND FUEL ADJUSTMENT )  
CLAUSE RATE, TO ESTABLISH A NEW PURCHASED )  
POWER AND FUEL ADJUSTMENT CLAUSE BANK, )  
AND TO REQUEST APPROVED GUIDELINES FOR THE )  
RECOVERY OF COSTS INCURRED IN CONNECTION )  
WITH ENERGY RISK MANAGEMENT ALTERNATIVES.)

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E-01032C-00-0751

Arizona Corporation Commission  
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#### AUIA'S OPPOSITION TO TELEPHONIC TESTIMONY

The Arizona Utility Investors Association (AUIA) hereby opposes the motion of the Residential Utility Consumer Office (RUCO) for an order permitting its expert witness, Richard Rosen, to testify by telephone at the hearing in this matter.

Granting this motion would result in a significant denial of due process for the Applicant (Citizens) and AUIA.

From an investor's perspective, Mr. Rosen's views are, at a minimum, extreme, since he appears to recommend that Citizens' shareholders absorb \$70 million of unrecovered cost and to continue to bear the risk of providing electric service without an approved contract.

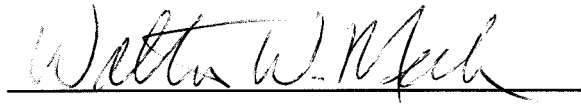
The breadth of his testimony, coupled with the history of regulatory actions involving Citizens' purchased power agreement and a veritable mountain of data requests, may necessitate the use of material that is not yet in evidence at the time of hearing. It would be extremely difficult, if not impossible, to cope with these matters by telephone.

1 Further, the credibility of this witness's testimony is very much in  
2 question. If Commissioners are present at the hearing, it is imperative that  
3 they observe the witness's responses to cross-examination.

4 Finally, RUCO and Mr. Rosen have known about this hearing date  
5 since January 11, when the Chief Administrative Law Judge issued her  
6 amended order moving the hearing date from March 4 to March 25. RUCO  
7 did not oppose Staff's motion to delay the hearing.

8 For all of the reasons cited above, the Commission should deny RUCO's  
9 motion and require that Mr. Rosen appear in person or that his testimony be  
10 withdrawn.

11 Respectfully Submitted, this 22nd day of February, 2002.

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13 \_\_\_\_\_

14  
15 Walter W. Meek, President

16  
17 **CERTIFICATE OF SERVICE**

18  
19 An original and ten copies  
20 of the foregoing Objection filed  
21 this 22<sup>nd</sup> day of February, with:

22  
23 Docket Control  
24 Arizona Corporation Commission  
25 1200 W. Washington Street  
26 Phoenix, AZ 85007

27  
28 Copies of the foregoing Objection  
29 hand delivered this 22nd day  
30 of February, 2002, to:

31  
32 Lyn Farmer, Esq., Chief Administrative Law Judge  
33 Christopher Kempsey, Esq., Chief Counsel  
34 Ernest Johnson, Esq., Director, Utilities Division  
35 Arizona Corporation Commission

36  
37 Copies of the foregoing Objection mailed  
38 this 22nd day of February, 2002, to:

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